

ceding transfer as farmland at a rate of six percent of the value of the consideration for the transfer, effective July 1, 1971.

*Be It Enacted by the County Council for Montgomery County, Maryland, that—*

SEC. 1. Subsection (d) of Section 84-25, title "Levied; amount," Chapter 84, title "Finance and Taxation," of the Montgomery County Code 1965, is hereby repealed and re-enacted, with amendments, to read as follows:

84-25. Levied; amount.

(d) Six percent of the value of the consideration for any transfer of land, excluding improvements thereon, which, while owned by the transferor, has been assessed at any time during the five years preceding transfer on the basis of being actively devoted to farm or agricultural use or which while owned by the transferor has been valued and assessed on the assessment records on the basis of the agricultural use value assessment at any time during the five years preceding transfer, said tax to be paid by the transferor of such land. The tax levied in this subsection (d) at a rate of six percent shall not apply to transfers which are made pursuant to a bona fide written contract or agreement entered into prior to July 1, 1971, provided that for transfers made after July 1, 1971, and before July 1, 1972, pursuant to a bona fide written contract or agreement entered into after August 19, 1970, and prior to July 1, 1971, shall be subject to the tax imposed prior to this amendment being at the rate of two percent of the value of the consideration. The Director of Finance may require satisfactory proof that the contract or agreement was entered into prior to such date. Any tax collected under this subsection (d), which is based on the bona fide market value consideration of the property, shall be collected only once on the transfer of the same parcel of land, or any portion thereof; provided however, all subsequent transfers shall be taxable at the rates applicable under subsections (a), (b), and (c) of Section 84-25. Provided, however, that the rate of such tax on a single transfer shall not exceed six percent of the bona fide market value consideration for the transfer. Where a transfer is subject both to the tax imposed by this subsection (d) and the tax imposed by subsection (e) below, the tax imposed by subsection (e) shall be the only tax imposed on the transfer. The transferor shall receive a tax credit on any tax collected under this subsection (d) equal to the deferred tax paid upon the sale of lands or a portion thereof, actively devoted to farm or agricultural use, pursuant to Section 19(b)(2), Article 81, Annotated Code of Maryland. In no event shall the tax credit exceed the tax collected under this subsection. The Director of Finance may from time to time issue written regulations pertaining to the collection of the tax levied in this subsection.